

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

W-02255A  
Yarnell Water Improvement  
P. O. Box 727  
Yarnell, AZ 85362

*corrected*

**RECEIVED**

APR 28 2006

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2005
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FOR COMMISSION USE

ANN04	05
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5-2-06  
entered  
RF

## COMPANY INFORMATION

Company Name (Business Name) <u>Yarnell Water Improvement Assn.</u>			
Mailing Address <u>PO Box 727</u>			
<u>Yarnell</u> (City)	<u>Arizona</u> (State)	<u>85362</u> (Zip)	
<u>(928) 427-3321</u>	<u>(928) 427-0243</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>ywia@w3az.net</u>			
Local Office Mailing Address <u>PO Box 727</u>			
<u>Yarnell</u> (City)	<u>Arizona</u> (State)	<u>85362</u> (Zip)	
<u>(928) 427-3321</u>	<u>(928) 427-0243</u>		
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>ywia@w3az.net</u>			

## MANAGEMENT INFORMATION

Management Contact: <u>Tammy Zude II</u> <u>Office Manager</u>			
<u>22609 Looka Way</u> (Street)	<u>Yarnell</u> (City)	<u>Arizona</u> (State)	<u>85362</u> (Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: _____			
(Name)			
_____ (Street)	_____ (City)	_____ (State)	_____ (Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Tammy Zudell  
 (Name)

PO Box 727 Yarnell Arizona 85362  
 (Street) (City) (State) (Zip)

(928) 427-3321 (928) 427-0243  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: \_\_\_\_\_  
 (Name)

\_\_\_\_\_  
 (Street) (City) (State) (Zip)

\_\_\_\_\_  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |  |   |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S)   | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)   | <input type="checkbox"/> Subchapter S Corporation (Z)                     |
| <input type="checkbox"/> Bankruptcy (B)  | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)  | <input type="checkbox"/> Limited Liability Company                        |
| <input checked="" type="checkbox"/> Other (Describe) <u>Corporation - Non Profit</u> |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |   |                                   |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE            | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM             | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA           | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA               | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |   |                                   |

COMPANY NAME Yarnell Water Improvement Association

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	24,471	—	
302	Franchises	37,864	—	
303	Land and Land Rights	20,752	—	
304	Structures and Improvements	59,373	44,361	
307	Wells and Springs	1,784	1,784	
311	Pumping Equipment	81,277	66,428	
320	Water Treatment Equipment	77,416	77,416	
330	Distribution Reservoirs and Standpipes	161,423	90,216	
331	Transmission and Distribution Mains	866,661	537,374	
333	Services	2,976	2,976	
334	Meters and Meter Installations	84,696	79,460	
335	Hydrants	61,754	26,857	
336	Backflow Prevention Devices	—	—	
339	Other Plant and Misc. Equipment	33,986	26,632	
340	Office Furniture and Equipment	7,757	6,985	
341	Transportation Equipment	22,105	22,105	
343	Tools, Shop and Garage Equipment	5,286	1,037	
344	Laboratory Equipment	—	—	
345	Power Operated Equipment	—	—	
346	Communication Equipment	—	—	
347	Miscellaneous Equipment	31,190	10,659	
348	Other Tangible Plant	101,115	101,115	
	TOTALS	1,671,885	(1,095,406)	

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Yarnell Water Improvement Association

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	24,471		-
302	Franchises	37,864		-
303	Land and Land Rights	20,752		-
304	Structures and Improvements	59,373	0.03	1,662
307	Wells and Springs	1,784	0.03	-
311	Pumping Equipment	81,277	0.125	2,323
320	Water Treatment Equipment	77,416		-
330	Distribution Reservoirs and Standpipes	161,423	0.02	3,134
331	Transmission and Distribution Mains	866,661	0.02	17,333
333	Services	2,976	0.03	98
334	Meters and Meter Installations	84,696	0.03	309
335	Hydrants	61,754	0.02	1,235
336	Backflow Prevention Devices	-		-
339	Other Plant and Misc. Equipment	33,986	0.06	1,546
340	Office Furniture and Equipment	7,757	0.06	762
341	Transportation Equipment	22,105	0.2	-
343	Tools, Shop and Garage Equipment	5,286	0.05	248
344	Laboratory Equipment	-		-
345	Power Operated Equipment	-		-
346	Communication Equipment	-		-
347	Miscellaneous Equipment	31,190	0.1	2,835
348	Other Tangible Plant	101,115	0.03	-
	TOTALS	1,671,885		31,485

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

COMPANY NAME Yarnell Water Improvement Association

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 4,037	\$ 981
134	Working Funds	4,643	264
135	Temporary Cash Investments	86,751	52,639
141	Customer Accounts Receivable	17,234	18,322
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	4,204	4,405
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 116,870	\$ 76,612
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 1,596,132	\$ 1,623,576
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(1,081,569)	(1,095,406)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 514,563	\$ 528,170
	<b>TOTAL ASSETS</b>	\$ 631,433	\$ 604,781

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Yarnell Water Improvement Association

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 672	\$ 4,544
232	Notes Payable (Current Portion)	32,900	32,900
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	20,029	20,181
236	Accrued Taxes	10,232	8,750
237	Accrued Interest	358	153
241	Miscellaneous Current and Accrued Liabilities		(109)
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 66,192	\$ 66,419
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 340,313	\$ 308,792
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 406,505	\$ 375,211
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value	588	591
215	Retained Earnings	224,340	228,979
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 224,928	\$ 229,570
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 631,433	\$ 604,781

COMPANY NAME Yarnell Water Improvement Association

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 220,764	\$ 218,345
460	Unmetered Water Revenue		
474	Other Water Revenues	1,235	1,990
	<b>TOTAL REVENUES</b>	<b>\$ 221,999</b>	<b>\$ 220,335</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 99,054	\$ 104,290
610	Purchased Water		
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance	12,530	13,635
621	Office Supplies and Expense	23,350	21,651
630	Outside Services	11,010	10,776
635	Water Testing	2,533	3,894
641	Rents	421	473
650	Transportation Expenses	2,614	2,729
657	Insurance – General Liability	8,871	11,221
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	5,818	1,264
403	Depreciation Expense	41,361	31,485
408	Taxes Other Than Income	94	
408.11	Property Taxes	13,718	13,347
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 221,374</b>	<b>\$ 214,765</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 624</b>	<b>\$ 5,570</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 2,658	\$ 1,455
421	Non-Utility Income	300	61
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(20,446)	(20,094)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ (17,488)</b>	<b>\$ (18,578)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (16,864)</b>	<b>\$ (13,009)</b>



COMPANY NAME Yarnell Water Improvement Association

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	06/25/74	04/25/75		
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 769,000	\$ 100,000	\$	\$
Amount Outstanding	\$ 301,491	\$ 39,114	\$	\$
Date of Maturity				
Interest Rate	5 %	5 %	%	%
Current Year Interest	\$ 16,784	\$ 2,179	\$	\$
Current Year Principle	\$ 28,803	\$ 3,805	\$	\$

Meter Deposit Balance at Test Year End

\$ 22,029

Meter Deposits Refunded During the Test Year

\$ 1,848

COMPANY NAME Yarnell Water Improvement Association

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-616736	5 hp	230	180	6	3	
55-616737	7 hp	240	220	6	3	

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
25hp	2	77	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250,000	2		
40,000	1		

COMPANY NAME Yarnell Water Improvement Association

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		5,280
5		
6		60,720
8		18,480
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	582
3/4	
1	9
1 1/2	1
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

chlorine gas

STRUCTURES:

OTHER:

COMPANY NAME: Yarnell Water Improvement Association

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	521	1,302,200	1,729,000
FEBRUARY	523	1,162,700	1,560,000
MARCH	521	1,057,200	1,311,000
APRIL	517	1,929,800	2,270,000
MAY	525	2,015,100	2,873,000
JUNE	527	2,917,500	4,262,000
JULY	529	3,492,600	4,650,000
AUGUST	529	1,849,800	2,791,000
SEPTEMBER	529	3,173,600	4,455,000
OCTOBER	532	1,996,700	2,802,000
NOVEMBER	528	1,470,900	1,896,000
DECEMBER	528	1,511,500	1,968,000
TOTAL		23,879,600	32,567,000

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes      (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes      (X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. 0.0020 mg/l  
(If more than one well, please list each separately.)

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME Yarnell Water Improvement Assn. YEAR ENDING 12/31/2005

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 13,347

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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RECEIVED

APR 28 2006

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

VERIFICATION

STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<u>YAVAPAI</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Tammy Zudell, Office Manager</u>
COMPANY NAME	<u>Yarnell Water Improvement Assn.</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2005</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Tammy Zudell  
SIGNATURE OF OWNER OR OFFICIAL  
(928) 427-3321  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

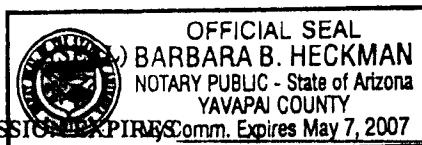
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

19

DAY OF

COUNTY NAME	<u>Yavapai</u>	
MONTH	<u>April</u>	<u>2006</u>



Barbara B. Heckman  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Yarnell Water Improvement Assn YEAR ENDING 12/31/2005

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 95,840  
Estimated or Actual Federal Tax Liability 5,841

State Taxable Income Reported 95,840  
Estimated or Actual State Tax Liability 1,360

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0  
Amount of Gross-Up Tax Collected 0  
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Tammy Zude  
SIGNATURE

04/19/2006  
DATE

Tammy Zude  
PRINTED NAME

Office Manager  
TITLE

RECEIVED

APR 28 2006

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Tammy Zudell, Office Manager</u>
COMPANY NAME	<u>Yarnell Water Improvement Assn.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2005</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 234,909

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 14,574  
IN SALES TAXES BILLED, OR COLLECTED)

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

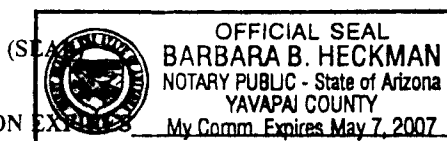
Tammy Zudell  
SIGNATURE OF OWNER OR OFFICIAL  
(928) 427-3321  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 19 DAY OF

COUNTY NAME	<u>Yavapai</u>
MONTH	<u>APRIL</u>
	<u>2006</u>



Barbara B. Heckman  
SIGNATURE OF NOTARY PUBLIC



VERIFICATION  
AND  
SWORN STATEMENT  
**RESIDENTIAL REVENUE**  
INTRASTATE REVENUES ONLY

**RECEIVED**

APR 28 2006

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Yavapai</u>	
NAME (OWNER OR OFFICIAL) <u>Tammy Zudell</u>	TITLE <u>Office Manager</u>
COMPANY NAME <u>Yarnell Water Improvement Assn.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 234,909

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 14,574

IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

Tammy Zudell  
SIGNATURE OF OWNER OR OFFICIAL  
(928) 427-3321  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

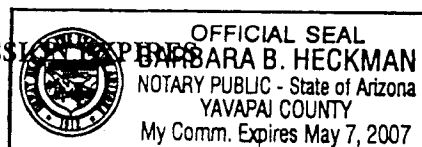
19

DAY OF

NOTARY PUBLIC NAME <u>Barbara B. Heckman</u>	
COUNTY NAME <u>Yavapai</u>	
MONTH <u>April</u>	20 <u>06</u>

(SEAL)

MY COMMISSION



X Barbara B. Heckman  
SIGNATURE OF NOTARY PUBLIC